Plaintiff's Exhibit 1226

6550 *Journal of A.M.A., August* 31, 1940,
Page 726 *et seq.*

"APPROVED EXAMINING BOARDS IN MEDICAL SPECIALTIES"

The Announcements of Approved Examining Boards In Medical Specialties are Reproduced Herewith.

I. *American Board of Anesthesiology,* Inc., an affiliate of the American Board of Surgery.

Qualification for eligibility to certification by "American Board of Anesthesiology, Inc." as a specialist in anesthesiology includes:

Membership is required in the American Medical Association or membership in such other medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association. Membership in other societies shall not be required.

II. *American Board of Dermatology and Syphilogy*

Qualification for eligibility to certification by "American Board of Dermatology and Syphilogy" as a specialist in dermatology and syphilogy includes:

Membership in the American Medical Association is recommended.

III. *American Board of Internal Medicine, Inc.*

Qualification for eligibility to certification by "American Board of Internal Medicine, Inc." as a specialist in internal medicine includes:

Membership in the American Medical Association or, by courtesy membership in such Canadian or other medical society or societies as are recognized for this purpose by the Council of Medical Education and Hospitals of the American Medical Association. Except as here provided, membership in other societies shall not be required.

IV. *American Board of Obstetrics and Gynecology*

Qualification for eligibility to certification by "American Board of Obstetrics and Gynecology" as a specialist in obstetrics and gynecology includes:

Should have membership in the American Medical Association, or membership in such Canadian or other Medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association.

6551 V. *American Board of Ophthalmology*

Qualification for eligibility to certification by "American Board of Ophthalmology" as a specialist in ophthalmology includes:

Membership in the American Medical Association or such other societies as are recognized for the purpose by the Council on Medical Education and Hospitals of the American Medical Association. In the case of an applicant whose training has been received outside the United States and Canada, his credentials must be satisfactory to the Board; if he has been in practice less than ten years he should obtain the certificate of the National Board of Medical Examiners.

VI. *American Board of Orthopaedic Surgery, Inc.*

Qualification for eligibility to certification by "American Board of Orthopaedic Surgery, Inc." as a specialist in orthopaedic surgery includes:

He must be a member of the American Medical Association or another society approved by the Council on Medical Education and Hospitals of the American Medical Association.

VII. *American Board of Otolaryngology*

Qualification for eligibility to certification by "American Board of Otolaryngology" as a specialist in otolaryngology includes:

Membership in the American Medical Association or, by courtesy, membership in such Canadian or other medical societies as are recognized for this purpose by the Council on Medical education and Hospitals of the American Medical Association. Except as here provided, membership in other societies should not be required.

VIII. *American Board of Pathology, Inc.*

Qualification for eligibility to certification by "American Board of Pathology, Inc." as a specialist in pathology includes:

Membership or associate membership in the American Medical Association or by courtesy membership in such Canadian or other national medical societies as are approved by the Council on Medical Education and Hospitals of the American Medical Association.

IX. *American Board of Phychiatry and Neurology, Inc.*

Qualification for eligibility to certification by "American Board of Psychiatry and Neurology, Inc." as a specialist in psychiatry and neurology includes:

He is now a member of the American Medical Association, or a member of such medical societies as are recognized for the purposes of certification by the Council on Medical Education and Hospitals of the American Medical Association. Exceptions to the foregoing may be made at the discretion of the board for good and sufficient reasons.

6552 X. *American Board of Radiology, Inc.*

Qualification for eligibility to certification by "American Board of Radiology, Inc." as a specialist in radiology includes:

Membership in the American Medical Association or, by courtesy, membership in such Canadian or other medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association.

XI. *American Board of Surgery, Inc.*

Qualification for eligibility to certification by "American Board of Surgery, Inc." as a specialist in surgery includes:

Membership in the American Medical Association, or by courtesy, membership in such Canadian or other medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the A.M.A. Except as here pro-

vided, membership in other societies shall not be required.

XII. *American Board of Urology, Inc.*

Qualification for eligibility to certification by "American Board of Urology, Inc." as a specialist in urology includes:

Membership in the American Medical Association, or comparable national medical society is recommended.

XIII. *The American Board of Plastic Surgery, Inc.*, a subsidiary of the American Board of Surgery.

Qualifications for eligibility to certification by "American Board of Plastic Surgery, Inc." as a specialist in plastic surgery, includes:

Membership in the American Medical Association or, by courtesy, membership in such Canadian or other medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association. Except as here provided, membership in other Societies shall not be required.

XIV. *American Board of Neurological Surgery, Inc.*

Qualification for eligibility to certification by "American Board of Neurological Surgery, Inc." as a specialist in neurological surgery, includes:

Membership in the American Medical Association or, by courtesy, membership in such Canadian or other medical societies as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association.

6553 *Advisory Board for Medical Specialties*, Page 750

"Essentials for Approved Special Examining Boards"

(Adopted by the Advisory Board for Medical Specialties, June 10, 1934)

Membership in the American Medical Association or membership in such Canadian or other medical societies

as are recognized for this purpose by the Council on Medical Education and Hospitals of the American Medical Association is recommended. Membership in other societies should not be required.

(Exceptions to the foregoing may now be made at the discretion of any individual board for good and sufficient reasons.)

Plaintiff's Exhibit 1227

6554 June 16, 1941

Bernard Barkwill, M. D.
319 Hall Bldg.,
Marshfield, Ore.

Dear Doctor Barkwill:

Enclosed kindly find check for three dollars, for emergency service rendered Mr. Carey O. Bones of the Ward and Melton Company.

I understand perfectly well, Dr. Barkwill, that you doctors have the Coos County group and are not supposed to accept the tickets from any hospital association, however the Ward and Melton is a small company, for whose employees the doctors in Bandon and Coquille agreed to give service for me and my association, probably, Doctor, more from personal friendship than any other reason. We are not, of course, accepting new contracts in your vicinity.

Hoping you do not mind accepting a check from us, and thanking you very much for the service rendered Mr. Bones, I am

Sincerely yours,

A. E. King, M. D.

ENCL
AEK:pc

Plaintiff's Exhibit 1228

6555 June 16, 1941

Bernard Barkwill, M. D.
319 Hall Bldg.,
Marshfield, Ore.

Dear Doctor Barkwill:

Enclosed kindly find check for three dollars, for emergency service rendered Mr. Carey O. Bones of the Ward and Melton Company.

Thanking you very much, I am

Sincerely yours,

A. E. King, M. D.

ENCL
AEK:pc

Plaintiff's Exhibit 1229

6556 OFFICE PHONE 85 PRACTICE LIMITED TO
RES. PHONE 85-L EYE, EAR, NOSE AND THROAT

BERNARD BARKWILL, M. D.

319 HALL BUILDING
MARSHFIELD, OREGON

May 29, 1941

Mr. Carey O. Bones
Powers, Oregon

Dear Mr. Bones:

I received the Prudential Hospital Association slip which you sent me along with the statement which I gave you May 13.

I do not accept these slips as I explained to you at the time I examined you. You will find another statement enclosed and if you send it to the association I am sure they will reimburse the amount of the fee.

I am sorry that this was not made more clear to you while you were here so as to save you the inconvenience of having to write.

Yours truly,

(Signed) BERNARD BARKWILL M. D.

BB:McC

Plaintiff's Exhibit 1230

6557 March 4, 1941.

Mr. George J. Becker, Dist. Mgr.
Mutual Benefit Health & Accident Ass.
409 Guardian Bldg.,
Salem, Oregon.

Dear Mr. Becker:

I am very sorry, but it is impossible for any Portland hospital association to give service in Eugene, as the doctors there are divided in two groups: those who go to the Eugene Hospital and those who go to the Sacred Heart Hospital, and each hospital has a hospital association, and neither group of doctors will do work for the other group, nor will they do work for any outside hospital association, hence it would be impossible to give the employee adequate medical service.

Thanking you Mr. Becker, for your letter of inquiry, I am

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

(Signed) A. E. KING M. D.
President.

AEK:pc

Plaintiff's Exhibit 1231

6558 MUTUAL BENEFIT HEALTH & ACCIDENT ASSOCIATION

UNITED BENEFIT LIFE INSURANCE COMPANY

OMAHA

MEMBER
(emblem)

GEORGE J. BECKER, DIST. MGR.
409 GUARDIAN BUILDING
PHONE 8482
SALEM, OREGON

March 3, 1941

Prudential Hospital Association
Morgan Building
Portland, Oregon

Gentlemen:

I would like to know if you would take hospitalization risk's in the Eugene, Oregon, territory.

If so will you write to the Mutual Benefit Dist. Mgr., Mr. J. J. Kamerman, 69 W. Broadway, Eugene, Oregon, and give him some of the details of your plan.

I would like a copy of your letter to him if possible.

Thank you kindly.

Yours truly,

G. J. Becker Ins. Agency

By (Signed) GEO BECKER

mb

Plaintiff's Exhibit 1232

6559 November 28, 1939

Dr. DeWalt Payne,
Secretary,
Mid-Columbia Medical Society
The Dalles, Oregon.

Dear Dr. Payne:

I wish to thank you very kindly for your letter of November 18th.

The intent and purpose of any pre-paid medical plan or contract medicine, is to insure the low wage earner

with adequate medical service. It is not intended for employers, or managers, or those who are financially able to pay for such service.

I doubt very much, if in any of the mills or organizations protected by us, that we are insuring any whose salaries are over one thousand dollars a year, although that clause has not been incorporated into our contracts.

My association will incorporate such a clause in the body of all of our contracts, and also a clause providing for coverage of extra bookkeeping expense, as advised in your letter. It is our wish, Dr. Payne, to conform to your requests in every detail.

Very truly yours,

PRUDENTIAL HOSPITAL ASSOCIATION

(Signed) A. E. KING, M. D.
President.

AEK:pc

Plaintiff's Exhibit 1233

6560

DEWALT PAYNE, M. D.
PHYSICIAN AND SURGEON
EYE, EAR, NOSE AND THROAT
203-4 U. S. NATIONAL BANK BLDG.
THE DALLES, OREGON

Nov. 18, 1939

Prudential Hospital Association,
Morgan Building,
Portland, Oregon.

Gentlemen:

The Mid-Columbia Medical Society for the past several years, in cooperation with the Council for the Oregon Medical Society, have considered the problem of prepaid medical care for the low wage group. A discussion was had concerning the advisability of forming our own group to carry out contracts to the exclusion of all hospital associations.

This procedure, however, was decided to be inadvisable at this time and it was the consensus of opinion of this Society that we should invite all or any of the organizations handling this type of contract to do business in our community, but under the supervision of and in coopera-

tion with the Doctors who are called upon to do medical work.

On November 3rd the Society passed the following resolutions which are self explanatory:

"1. That a member of this Society do not work for any Hospital Association making contracts for full coverage on individuals whose income is or above the following salary limit,

$1,000 annually for a single person
$1,500 annually for a married person

2. That the Hospital Associations be notified of these limits and 60 days be given to eliminate their contracts which are not acceptable.

6561 3. It is recommended that solicitations for contracts with individuals and small groups, if confined to the above income levels, be written with an addition to the monthly rate to cover the extra bookkeeping charge in proportion inversely to the size of the group."

Yours very truly,

(Signed) DEWALT PAYNE
DeWalt Payne, M. D.
Secretary,
Mid-Columbia Medical Society

P.L

Plaintiff's Exhibit 1234

6562

CLIFFORD E. HARDWICK—
HERBERT D. LEWIS —
ROSSER P. ATKINSON
PHYSICIANS AND SURGEONS

MEDICAL BUILDING
HOOD RIVER, OREGON

April 24, 1940

Prudential Hospital Association
Morgan Bldg.
Portland, Oregon

Gentlemen:

Last evening, April 23, at a meeing of the Mid-Columbia Medical Society, a resolution was adopted which I have

been instructed to forward to you and the hospital associations doing business in this State; namely

That this Society does not approve of any hospital association underwriting contracts which usually should be handled by the State Industrial Accident Commission, and that in event such underwriting contracts are made by a hospital association, that they should pay the fees according to the State Industrial Accident fee schedule rather than their own fee schedules.

Yours very truly,

MID-COLUMBIA MEDICAL SOCIETY

By (Signed) ROSSER P. ATKINSON
Secy.-Treas.

RPA:N

Plaintiff's Exhibit 1235

6563

CLIFFORD E. HARDWICK —
HERBERT D. LEWIS —
ROSSER P. ATKINSON
PHYSICIANS AND SURGEONS

MEDICAL BUILDING
HOOD RIVER, OREGON

April 24, 1940

Prudential Hospital Association
Morgan Building
Portland, Oregon

Gentlemen:

At a meeting on April 23, 1940 of the Mid-Columbia Medical Society, the following resolution was adopted:

That after ninety days from date renewal of any new contracts written by any hospital association shall be subject to the salary limitations as previously laid down by this organization in October, 1939; namely,

That a member of this Society do not work for any hospital association making contracts for full coverage on individuals whose income is, or above, the following salary limits:

$1000.00 annually for single person
$1500.00 annually for married persons

A committee has been established by Dr. Hardwick, consisting of Drs. Hardwick, McCain and Chick of Hood River, who will be happy to discuss this situation with representatives of the various hospital associations at the earliest possible date and we hope that the associations will contact this committee as soon as possible in order to clarify our stand and to work out suitable contracts for persons not included in the limitations as expressed above.

Yours very truly,

MID-COLUMBIA MEDICAL SOCIETY

By (Signed) ROSSER P. ATKINSON
Secy.-Treas.

RPA:N

Plaintiff's Exhibit 1236

6564 May 1, 1940.

Dr. Rosser P. Atkinson
Secretary,
Mid Columbia Medical Society
Hood River, Oregon.

Dear Doctor Atkinson:

I wish to thank you very kindly for your letter of April 24th.

The intent and purpose of any pre-paid medical plan or contract medicine, is to insure the low wage earner with adequate medical service. It is not intended for employers, or managers, or those who are financially able to pay for such service.

I doubt very much, if, in any of the mills or organizations protected by us, that we are insuring any whole salaries are over one thousand a year, though that clause has not been heretofore incorporated into our contracts.

My association will incorporate such a clause in the body of all of our future contracts, and we shall also be very glad indeed, to pay the State Industrial rates on any company where we relieve the State for accidents while employed.

Very truly yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. KING, M. D.
President.

AEK:pc

Plaintiff's Exhibit 1237

6565 June 5, 1940

Mid-Columbia Medical Society.
Clifford E. Hardwick, M. D., Pres.,
Medical Building
Hood River, Oregon.

Dear Doctor Hardwick:

In reply to your letter of June 1st, will state that we have quite a few individual contracts in force in Portland, Oregon, that are not a full coverage contract, and call for service in Portland, only. We have none in effect that are State-wide coverage.

I would be very glad indeed, to meet you and the representatives of the other hospital associations at any date you set.

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. KING, M.D.
President.

AEK:pc

Plaintiff's Exhibit 1238

6566

CLIFFORD E. HARDWICK—
HERBERT D. LEWIS —
ROSSER P. ATKINSON
PHYSICIANS AND SURGEONS

MEDICAL BUILDING
HOOD RIVER, OREGON

June 1, 1940

Prudential Hospital Assn.
Morgan Bldg.
Portland, Oregon

Dear Sirs:

At a recent meeing of the Mid-Columbia Medical Society it was voted that certain restrictions in regards to contracts for individuals making more than $1500.00 a year be made.

The arrangements for such elimination of individuals from these contracts that are already in force, was dis-

cussed and a committee appointed to meet with representatives of the various hospital associations to see what could be done. The committee here consists of Drs. McCain, Chick and Hardwick.

We would like, therefore, to arrange a meeting of representatives of the various hospital associations so that this problem could be discussed.

If a delegate from your firm could come to Hood River in the near future I will try to correlate dates which would be compatible with all various hospital associations.

Yours very truly,

(Signed) CLIFFORD E. HARDWICK
Clifford E. Hardwick, Pres.,
Mid-Columbia Medical Society

CEH:N

Plaintiff's Exhibit 1239

6567 A. E. KING, M.D. PRESIDENT — J. R. STEAGALL, M.D. SECRETARY-TREASURER

PRUDENTAL HOSPITAL ASSOCIATION
INCORPORATED
MORGAN BUILDING
PORTLAND, OREGON

May 8, 1936

Debit Memorandum

To O'Brien Spruce Co.
Astoria, Oregon

Membership coverage for entire pay roll for the month of April 1936.

55 Employees @ 1.75—	$ 96.25
4 Employees @ 1.75—	4.00
1 Employee @ .10	.10
2 Employees @ .30—	.60
Total	$100.95

Thank you.

6568 W. P. O'BRIEN, PRESIDENT PHONE 171 OR 350
AFTER 5 P.M.
CALL 100

THE O'BRIEN SPRUCE CO.,
MANUFACTURERS
SPRUCE LUMBER • BOX SHOOKS

ASTORIA, OREGON, U.S.A.

October 19, 1936.

Prudential Hospital Ass'n., Inc.
Morgan Building
Portland, Oregon

Gentlemen:

Our employees report that the local doctors will not take any of the hospital tickets issued by you. They want to withdraw from the organization as of October 1st.

We regret to have this happen, but as stated to you in the beginning, it rests entirely with the men.

Please acknowledge receipt.

Yours very truly,

The O'Brien Spruce Co.,

(Signed) W. P. O'BRIEN
by E. ERICKSON
President

WPO'B/EE

6569 W. P. O'BRIEN, PRESIDENT PHONE 171 OR 350
AFTER 5 P.M.
CALL 100

THE O'BRIEN SPRUCE CO.,
MANUFACTURERS
SPRUCE LUMBER • BOX SHOOKS

ASTORIA, OREGON, U. S. A.

October 26, 1936

Prudential Hospital Association
Portland, Oregon

Gentlemen:

We wrote you on October 19th advising that doctors here would no longer recognize tickets issued by you and that we should consider the contract cancelled as of October 1st.

We have had no acknowledgement of our letter from you, so please write confirming the cancellation of contract.

Yours very truly,

The O'Brien Spruce Co.,

(Signed) W. P. O'Brien
President

WPO'B/EE

6570 October 28, 1936

The O'Brien Spruce Co.,
Astoria, Oregon.

Gentlemen:

We wish to acknowledge receipt of your letter of the 19th and also your letter of the 26th. The contract states that you have to give 30 days notice before cancelling same, however in talking to Dr. King I believe he is inclined to do as you wish and have it cancelled as of October 1st.

Dr. King had expected to be in Astoria, hence I had not written you before, he will however be in Astoria the last of this week or the first of next week and will contact you.

A number of your men have been going to doctors and we have had bills from them and have had no check from you since that received on August 28th in the amount of $60.70 for the month of July.

Dr. King has appreciated your business and your personal friendship and is very sorry that there was trouble with the doctors in Astoria. He will however see you on his next trip to your city.

Very truly yours,

Prudential Hospital Association

Cashier.

Plaintiff's Exhibit 1240

6571 THE CITY OF ASTORIA, OREGON

COMMISSIONERS:
LLOYD VAN DUSEN ANTON SORENSEN

MAYOR
J. C. TEN BROOK

CITY MANAGER
JAMES O. CONVILL

COMMISSIONERS:
WILLIAM MANNILA DR. W. C. LOGAN

Dec. 30th, 1936

Doctor King

I am writing to ascertain if, in case the city employees desire to change associations, you care to carry the familys as you do at present. Of course which ever association the majority vote for, the rest of us will have to go in. But these other associations do not provide for wifes etc and some of us would like to continue that coverage so would be pleased to hear from you. I am enclosing $1.25 to cover my son William (Bill) Foster for December I believe will you still cover him. Please send his receipt to me.

Yours very truly

C. E. Foster
Fire Chief.

C.E.F.

6572 January 9, 1937

Chief C. E. Foster
Astoria, Oregon.

Dear Fire Chief:

In reply to your letter I wish to say that I will be in Astoria soon and will afford myself the pleasure of seeing you. I am of course very sorry that we has so much difficulty with the docotrs in Astoria but you understand the situation there as well as I do.

It will be impossible for us to carry individuals at the termination of the blanket contract with the City of Astoria Employees Association.

Thanking you for past favors, I am,

Sincerely yours,

Prudential Hospital Association

A. E. King, M.D.
President.

AEK:PC

Plaintiff's Exhibit 1241

6573

Seaside, Ore.
Aug. 12, 1937

Prudential Hospital Assoc.
Portland, Ore.

Gentlemen:

Please discontinue your service with us effective Sept. 1st. At that time we will return whatever supplies we have on hand.

Yours truly

(Signed) Ford M. Conierse
C. & H. Logging Co.

Plaintiff's Exhibit 1242

6574

4766

Prudential Hospital Association

INCORPORATED

MORGAN BUILDING
PORTLAND, OREGON

Statement of Douglass Lumber Company account with Prudential Hospital Assn.

Contract effective October 18, 1937.

Payment received Nov. 15, 1937,	paying from Oct.15 to Nov. 1,	$6.00
" " Dec. 22,	" " Nov. 1, to Dec.1,	12.00
" " Jan. 18, 1938,	" " Dec. 1 to Jan. 1,	15.00
" " Feb. 24	" " Jan. 1 to Feb. 1,	20.00
" " Mar. 30	" " Feb. 1 to Mar. 1,	28.00
" " Apr. 26	" " Mar. 1 to Apr. 1,	30.00
" " May 31	" " Apr. 1 to May 1,	28.00 Check
	Credit allowed on doctor bill	4.00)
" " July 8	paying from May 1, to June 1,	28.00
" " Aug. 2	" " June 1 to July 1,	24.00
" " Sept. 12	" " July 1 to Aug. 1,	22.00

Balance due from Aug 1st to Oct. 18th, 1938, per employees on payroll @ $2.00 per man per month.

Contract expired Oct. 18, 1938.

4666

6575 ED DOUGLASS LUMBER CO.

1535 W. 11th Ave.
EUGENE, OREGON

Prudential Hospital Asso.
Portland, Oregon.
Miss Polly Cheney.

Dear Madam,

We have had a quite a bit of difficulty in getting the Doctors, named on the list to recognize the Asso. Doctor Sether has refused several for treatment. I was forced to go to a doctor a short while ago, with an attact of rhumitism and had some trouble getting them to charge it to the asso. Dr. Sether charged it to me, but he did not care about taking the case with out doing so. Now Mr. Ed. Naylor is ill and he was embarresed the same way, and he said they phoned several places in town about it and finally charged it to him until it is payed by the Asso.

They don't seem to be fimilar with this asso. I wonder if we could be spared all this trouble and embarrasment some way as the employes naturally come back on me about it and some feel quite angry as they feel after paying for the prevelege, there should be no question in the matter.

Your's very truly;

Ethel Douglass.

6576 April 28, 1938

Douglass Lumber Co.,
1535 W. 11 St.,
Eugene, Oregon.

Dear Mr. Douglass:

In reply to your letter received this morning, will state that we have understood for some time that the State Medical Society together with the city of Eugene Medical Society, were endeavoring to force all hospital associations out of the territory adjacent to Eugene, by having the doctors belonging to the Medical Society agree to do no work for, nor charge any bills to any hospital association.

I was very much surprised that Dr. Sether had refused to charge bills to us, as Dr. Dale, Dr. Sether, and Dr. Zim-

merman had promised me definitely, they would take care of any ill or injured employees coming under our contract; and we have received no notification from Dr. Sether that he did not care to take care of the employees.

Dr. Dale, I am positive, will take care of any employee going to him, also I am sure Dr. Zimmerman and Dr. Gilson Ross and Dr. Gavin Dyott, the eye, ear, nose and throat specialist, will look after your man and charge same to us.

It will be necessary for me, personally, to visit Eugene and contact the different doctors and submit you a new list of the physicians and surgeons willing to do work for hospital associations. This I will attend to as soon after the first of the month as possible. In the meantime, or until that time, either have the employees go to the doctors I have listed or any other doctor, taking a bill from them and the first of each month mail in the bills to us. Also the first of the coming month kindly mail the bills to us for Miss Douglass and Mr. Ed Naylor, and any employees who have had a bill charged to them, and we will mail you our check.

Thanking you very kindly for your letter and hoping that this trouble of the physicians of Eugene and the Medical Societies may soon be straightened out, I am

Very sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION.

A. E. King, M. D.
President.

AEK:pc

6577 October 14, 1938.

Douglas Lumber Company
1535 W. 11th St.,
Eugene, Oregon.

Dear Sirs:

Our contract with you expires on October 15, 1938. We wish to thank you very kindly for the business you have given us, and for the friendly relations that have always existed between us and we are very sorry indeed, that we will be unable to serve you for another year. In view of the fact that we have no other contracts in force at the present time in Eugene, and the increasing difficulty with the Medical Society, we have decided to with-draw entirely

from the vicinity where the Eugene physicians and surgeons would be called.

Again thanking you very kindly for your past business, we are

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION.

A. E. KING, M. D.
President.

AEK:pc

Plaintiff's Exhibit 1243

6578 W. R. WARD
D. J. MELTON

WARD & MELTON
LOGGING CONTRACTORS

Bandon, Oregon

April 15, 1941.

Prudential Hospital Association,
Portland, Oregon.

Gentlemen:

Homer R. Jones has been on our pay roll almost two months and last week he threw his neck out of joint while bucking a log. Because of this injury he was unable to work last Friday the 11th of April and so went to see Dr. Stems, a Chiropractor at Coquille, Ore. Dr. Stems would not take the hospital ticket I gave the man and therefore I was wondering what should be done about the matter.

Very truly yours,

WARD & MELTON,

by (signed) CHARLES RITCHEY

PS: Please send some Bismarex.
CR.

6579 April 21, 1941.

Ward and Melton Logging Co.
Bandon, Ore. Re: Homer R. Jones.

Gentlemen:

This is to advise you that we have written Dr. Stems this day, advising him we would pay for such treatments. I am quite sure he will accept the ticket, if not have Homer Jones pay him direct, getting a receipt from him and we will reimburse him.

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. King, M. D.
President

AEK:pc

Plaintiff's Exhibit 1244

6580 July 10, 1941

Gilbert Uht
Bandon, Oregon

Dear Mr. Uht:

In regard to the bill for my services to you for treatment of the burn you received at Ward and Milton's, I feel that I should inform you that this bill will have to be paid by you or by Ward and Milton as I have no contract with the Prudential Hospital Association, the Coos Bay Hospital Association, being the only one for which I do contract work.

I am enclosing my bill for services to July 1, 1941, as it seems the Prudential Hospital Association wants monthly statements on its cases. You can no doubt send this statement to Ward and Milton or the Prudential Hospital Association and they will send you a check covering the amount.

Yours very truly,

Leslie G. Johnson, M.D.

lgj/lc
CC: Ward and Milton
Prudential Hospital Association

6581 July 11, 1941

Mr. Gilbert Uht
Bandon, Oregon

Dear Mr. Uht:

We received today, from Dr. Leslie G. Johnson, a copy of the letter he wrote you July 10th, stating it would be necessary for him to bill you direct, in as much as his agreement with the Coos Bay Hospital Association does not allow him to bill other Associations.

When you receive bills from him, kindly mail them to us and we will send you a check covering the amount, by return mail.

Hoping this will be satisfactory with you, I am

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. King, M.D.
President.

AEK:pc

Plaintiff's Exhibit 1245

6582 Coquille, Ore.
April 17, 1942

Prudential Hospital Assn.
Portland, Ore.

Gentlemen:

Please cancel our hospital contract as of May 1, 1942. This is necessary because the local hospital association has insisted on their handling the business and has refused to accept any outside hospital tickets.

We notified Mr. Turner of Northern Life Ins. Co. of this change the last time he was down here—about the 25 of March.

Very truly yours,

(signed) RONALD BURR
Ronald Burr.

6583 April 21, 1942.

Ronald Burr Logging Co.
Coquille, Oregon.

Gentlemen:

Received your letter today, advising us you wished to cancel your contract for protection for your employees with our hospital association, as of May 1st.

Of course the contract reads, that you must furnish us thirty days written notice, however, we will not insist on that, at all, and this letter will be your authorization for cancelling the contract as of May 1, 1942.

In as much as it would be rather difficult, at this time, for us to have a representative call to pick up the cabinet on the first day of May, was wondering if it would be too much trouble for you to call the Consolidated Freight Line and have them call for it, and ship it to us, collect.

We are, of course, very sorry to loose your business and appreciate very much the friendly relationship which has always existed between your company and mine.

Thanking you for the confidence placed in us, and for the courtesy shown us by shipping our cabinet, I am

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. King, M.D.
President.

AEK:pc

Plaintiff's Exhibit 1246

6584 W. R. WARD
D. J. MELTON

D. J. MELTON LOGGING CO.
LOGGING CONTRACTORS

Dellwood, Oregon

April 13, 1942.

Prudential Hospital Association,
Portland, Oregon.

Gentlemen:

Please discontinue our Hospital coverage as of May 1st, 1942.

Mr. Turner of Northern Life Insurance Co. was notified of this change on his last trip down which was about March 25th, 1942.

Very truly yours,

D. J. MELTON LOGGING CO.,
by (signed) CHARLES RITCHEY

6585 April 21, 1942.

Ward and Melton
Dellwood, Ore.

Gentlemen:

Received your letter today, advising us you wished to cancel your contract for protection for your employees with our hospital association, as of May 1st.

Of course the contract reads, that you must furnish us thirty days written notice, however, we will not insist on that, at all, and this letter will be your authorization for cancelling the contract as of May 1st, 1942.

In as much as it would be rather difficult, at this time, for us to have a representative call to pick up the cabinet on the first day of May, was wondering if it would be too much trouble for you to call the Consolidated Freight Line and have them call for it, and ship it to us, collect. Also, will you kindly ship us the Army stretcher, which also belongs to us. Each company, according to the State Industrial Accident Commission ruling, is supposed to own their own stretcher, but we did not bill you for the one we furnished you. If you would prefer to keep it, you can mail us a check for $11.50, the cost to us from the wholesale house.

My Association has always tried to furnish your employees with the very best service possible and we are sorry to loose your business. We appreciate very much the friendly relationship which has always existed between your company and mine.

Thanking you for the confidence you placed in us when you gave us the opportunity to serve you, and for the courtesy shown us by shipping our cabinet, I am

Sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. King, M. D.
President.

AEK:pc

Plaintiff's Exhibit 1247

6586 October 15, 1942

W. R. Ward
Bandon, Oregon.

Dear Mr. Ward:

You know there have been so many changes in the names of the W. R. Ward Company that it makes it somewhat confusing.

In February 1941 we had a letter advising us the name of the W. R. Ward Transfer Company would, in the future, be called Ward and Melton.

Notwithstanding that fact I note that the contract was made up to the W. R. Ward Transfer Company of Bandon, Oregon, and is signed by you, as of the 1st day of June 1941. On December 16 we have a letter from the Ward and Melton Logging Contractors, that they would operate under the name of the D. J. Melton Logging Company, its address being Delwood, Oregon. However, there was no change in the name on the contract, nor was a new contract issued. As a matter of fact, we never did have a contract with the D. J. Melton Logging Company.

In April 1942, under pressure from the State Medical Society, the D. J. Melton Logging Company wished to cancel their contract as of May 1st, which contract never was issued, therefore did not need to be cancelled.

Since that time, Mr. Ward, we have been paying what physicians' bills came in from Bandon and Coquille for your employees, and you have, I believe, been remitting payments to the office regularly. What called this to my attention especially at this time, was a letter from the Coquille Wood Company, signed by Thelma Cox. wishing to make a payment and send in a quarterly report.

Of course our old contract with you is continued in full force until replaced by a new one, or that either party wishes to discontinue it, even though it did expire on June 1st.

If you wish to continue this contract Mr. Ward, I wish you would kindly advise me and we will issue you a new one, and also furnish me the names of your employees, and their occupations, and whether you have State Industrial protection or if you wish us to continue protecting your employees for accidents while employed. You know there is a rider attached to your contract as of the

first day of July, for the protection of the employees while on the job. This must of necessity be re-newed every year, as of that date, as the law now requires that they be made out on a separate form and a copy thereof sent to the State Industrial Accident Commission, where an Insurance Company relieves the State Industrial and a Hospital Association furnishes the on the job protection.

The State Industrial Accident Commission is very particular indeed, about having their copy accompanied by a filing fee as soon after the first of July as possible. These contracts for on the job coverage run only year to year, hence our contract with you has expired July 1st, and if we are, or if you wish us to be protecting your men for accidents on the job, we must fill out these blanks in triplicate and date them as of July 1st, 1942, and mail one copy with a filing fee to the State Industrial as required by law. This, of course, should be done as soon as possible.

The rate for this coverage is fixed by the State Industrial and we are forbidden by law to charge less than the rate set by the State Industrial, hence it is necessary for us to know the occupation of your employees, whether any logging, or any hauling of logs, or just what.

Might also state that due to the greatly increased cost of doing business, raise in the rates charged by hospitals and doctors, and the increase in the cost of medical supplies, salaries, etc., it has been necessary for all Hospital Associations to raise their rate for non occupational protection from $2.00 to $2.50 per month for each employee, and this would be the rate charged if you wish us to continue protecting your employees.

Hoping for an early reply, Mr. Ward, so that we may get this all straightened out, I am

Very sincerely yours,

PRUDENTIAL HOSPITAL ASSOCIATION

A. E. KING, M. D.
President.

AEK:pc

Plaintiff's Exhibit 1248

6588 CENTRAL WILLAMETTE LUMBER COMPANY (Emblem)

MILLS: Philomath, Oregon
SALES OFFICE: 543 Pittock Block, Portland 5, Oregon

February 19, 1947

Prudential Hospital Association,
Morgan Building,
Portland, Oregon

Gentlemen:

Our sawmill crew has voted unanimously to subscribe for Oregon Physician's Service. Therefore, please consider our contract cancelled as of expiration date, March 14, 1947.

Very truly yours,
CENTRAL WILLAMETTE LUMBER CO.
By (Signed) W. V. WILSON

dw

MANUFACTURERS, PACIFIC COAST LUMBER

Plaintiff's Exhibit 1249

6589 May 1 1943

Industrial Hospital Association,
Medical Arts Bldg,
Portland Oregon.

Gentlemen:

This is to inform you that by a unanimous vote the Bridge Lumber Co. crew voted to discontinue the Industrial Hospital assoc. contract. This to be effective June 1, 1943

Have a bill for collection for W A Dishner in the sum of 8.00

Am sorry that this has happened but the men decided that they were through.

It may be that when the hospital is started here that they will be better satisfied particularly if you can get them to accept your tickets

Sincerely yours
W L Harris, Sec

Plaintiff's Exhibit 1250

6590 June 12 1945

Industrial Hospital Assoc
Medical Arts Bldg
Portland Oregon

Att Mr Walsh

Dear Sir:

The E K Woods logging division crew (office at Scottsburg) and the Gaddiner Lumber crew camp employees have voted to have the Industrial coverage

Please advise and come prepared to sign the agreements The one thing that has caused this has been the fact that the Coos Bay has refused to pay bills where men were operated on by Eugene Doctors and when the bills were finally paid they were only paid according to the O P S rates

We want assurance that our members will have their bills paid in full when they are legitimate bills. Your Association has always done this but we do not desire to again have trouble over the same issue

Trusting that you will come down soon I am

Very truly yours

W L Harris, Business agent

P S Each camp has about 90 employees

Plaintiff's Exhibit 1251

6591 copy

January 8 1946

Mrs Mabel Baker
Powers Oregon

Dear Madam:

Your claim to the Coos Bay Hospital Association for medical and hospital service rendered has and still is being investigated by this office

To date, the writer, has no verbal or written statement to the effect that you had received authorization from a Doctor member of this Association to go to Dr. R. M. Dodson for the operation you recently underwent. The statement as per yours of December 24, By the Coos Bay Lumber Company bookkeeper that you card was good for any Doctor in Oregon is true, meaning for any condition, ailment, or injury that is acute or an emergency

I regret to state that my findings to date have not been sufficient to warrant the Coos Bay Hospital Association responsible for payment of statement rendered for your recent operation and care

If by chance you did consult one of the Doctors members of this Association about your condition prior to the time you were operated on, I would appreciate hearing from you, and assure you that the information will be given every consideration

Very truly yours
Dale LiHebo, Mgr

* * * * *

Coos Bay Hospital Association

BENEFITS

1. Every member is entitled to receive cash benefits after he has been a member thirty days or more as provided for in the By-Laws.

A member in good standing (and otherwise qualified), will receive, pursuant to the Constitution for Subordinate Aeries, sick benefits as follows: For the first week after notification to the Secretary or Worthy President—Nothing; but, thereafter, $7.00 per week for ten weeks in any one year (12 months) or in any one disease, providing he sees a physician no less than once a week during entire time of illness.

2. On the death of a member in good standing (and otherwise qualified), a funeral benefit of $100.00 will be paid. THIS PAYMENT IS NOT INSURANCE, AND MUST BE APPLIED TOWARD THE FUNERAL EXPENSE. If no one will assume the financial expense of a member's burial, then your AERIE AND EAGLE BROTHERS will. NO GOOD STANDING EAGLE LIES BURIED IN PAUPERS FIELD.

3. THE MEANING OF GOOD STANDING. Dues are $13.00 per year, payable quarterly. They must be paid on or before the fifteenth of the month in which they are due. Thus you are allowed fifteen days' grace in which to pay. From the first to the fifteenth ONLY. The only exception being: when the fifteenth falls on a Sunday or holiday. Then the sixteenth will be recognized for payment as of the fifteenth. PAY YOUR DUES ANNUALLY. It will more greatly insure your benefits, when they are most needed. It saves your Aerie printing and postage expense. And it also permits the SECRETARY to devote more time to other Fraternal Duties, of which there are many. TO ENJOY A FULL MEMBERSHIP, KEEP YOUR DUES PAID UP AND IN ADVANCE.

4. The elected Aerie Officers will appreciate every constructive suggestion and cooperation that you can give. They will do their utmost to protect and safeguard your membership. If you have any grievance of any kind, consult the Worthy President or Secretary. They are the ones most directly responsible, and anxious to correct any misunderstanding or trouble of any kind. Do not delay matters by telling others.

5. The Fraternal Order of Eagles is the largest and best fraternity of its kind in the world today. Dues payments are within the reach of any and all men. ANY MEMBER MAY SPONSOR A NEW MEMBER FROM THE IMMEDIATE TIME OF HIS INITIATION. Why not tell your friends of the many benefits that you enjoy as a member of our Aerie.

MEDICAL SERVICE CHARGES

Major Operations	$125.00
Minor Operations $25.00, $50.00	75.00
According to the length of after treatment and seriousness of operation.	
Circumcision	15.00
Tonsillectomy	30.00
Hernia Operation	100.00
Varicose Veins—operation, injections, etc.:	
For each leg (three years' treatment)	50.00
Hemorrhoid Operation	75.00
(Three years' treatment)	
Pregnancy, Delivery, etc.	50.00
Fractures—same fee as the State Industrial Accident Commission allows.	
Electro-cardiogram	5.00
Basal Metabolism	5.00
X-rays:	
Chest	10.00
Shoulder	5.00
Back	10.00
Foot	5.00
Leg	5.00
Arm	5.00
Knee	5.00
Hand	5.00
Sinuses	15.00
Gall Bladder (dye)	15.00
Injections:	
Office furnishes medicine:	
Each injection	1.50
Patient furnishes medicine:	
Each injection	1.00
Electrical Treatment:	
Infra-red light treatment:	
Each treatment	1.50
Alpine Light treatment:	
Each treatment	1.50
Diathermy treatments:	
Each treatment	1.50
Coagulation of warts or small tumors	5.00
Urinalysis	1.00
Blood Count	2.00
A. Z. test	10.00
Blood Sugar	5.00
Sputum Test	2.50
Smears	2.50
Wassermans or Kahns	5.00
Marriage Licenses examination	5.00
Civil Examinations	2.00
Pilots' Examinations	5.00
Letter Writing and Reports	1.00
Outside City Limits Call (within three miles)	5.00

Remember Our Slogan:

EVERY MEMBER OWES HIS AERIE AT LEAST ONE NEW MEMBER EACH YEAR

START THE NEW YEAR RIGHT

SIGN UP YOUR NEW MEMBER TODAY

PORTLAND AERIE NO. 4 FRATERNAL ORDER OF EAGLES

6600-6601
6606-6607

Plaintiff's Exhibit 1253

4779

DOCTORS' SERVICES, ETC.

1. If a member or his family needs an emergency call at any time of day or night, call the chief Aerie Physician's office:

DR. JEROME L. HOLZMAN
204 Medical Arts Building – BEacon 0458

If there is no answer from this office, then call the BEacon 3181 exchange. DO NOT CALL ANY OTHER EXCHANGE. The BEacon 3181 exchange will provide a physician for you.

IT IS MANDATORY that the patients visit the doctors' offices for treatment when they are able to do so. An emergency house call will be made when necessary, but repeated house calls for the same condition are not covered. A case which requires repeated house calls is a case which should be treated in a hospital where it belongs. All such hospital calls are covered by the service, but the cost of the hospital must be borne by the member and not the Aerie. Follow this rule and you will receive good and conscientious service.

2. IF AN OFFICE CALL IS WANTED, call any of the following men and obtain an appointment:

DR. JEROME L. HOLZMAN
204 Medical Arts Building – BEacon 0458

DR. AUBREY M. DAVIS
753 Medical Arts Building – BEacon 2707

DR. EARL SMITH
812 Oregonian Building – ATwater 5081

If no answer, call the BEacon 3181 exchange.

Do not call any of the emergency doctors. They answer emergency calls only. All visits to the doctors' offices are by appointment. Emergency cases will be given preference and taken care of immediately at the office without a previous appointment.

FOR MATERNITY CASES, APPOINTMENTS may be had from:

DR. GEORGE W. TAYLOR,
609 Taylor Street Building – BEacon 8034

Call him only for obstetrical cases. He will not take care of any other office calls.

3. WHEN THE MEMBER BECOMES ILL OR MEETS WITH AN ACCIDENT, the Secretary's office or the Worthy President should be notified immediately. If the member, himself, is unable to do so, then he should have someone else call in person, phone, or write. CASH BENEFITS WILL BE STARTED ONLY BEGINNING SEVEN DAYS AFTER DATE OF NOTIFICATION to the Secretary or the Worthy President.

4. DUES MUST ALWAYS BE PAID UP to receive Doctor's services. The Aerie Physician service is FREE to all members in good standing, and their families. And this service starts immediately after a member is initiated into the order.

5. THE FAMILY OF A MEMBER INCLUDES HIS WIFE AND THOSE OF HIS CHILDREN WHO ARE LESS THAN EIGHTEEN YEARS OLD. Children who are more than eighteen years old are not entitled to the Physician's service. If a member is not married, then those persons who are ACTUALLY DEPENDENT upon and SOLELY SUPPORTED by the member, and who live with him will be given service.

6. The member's RECEIPT MUST BE ON HAND for examination at all times by the Aerie Physician. If the dues are not paid up, the doctor has a right to charge for any and all services rendered. The Aerie Physician cannot give free service in confinement cases, for primary venereal disease, or any chronic diseases or disability from which the member or any member of his family suffer at the time he applied for membership into the Order.

7. THE AERIE PHYSICIAN MUST ALSO DO MINOR SURGICAL WORK WITHOUT CHARGE. "Minor surgical work" means operations of very light extent, in themselves not dangerous to life, which does not entail immediate serious consequences to the patient or which does not require special skill or training to perform. A broken leg, major operation, complicated fractures and similar cases do not come under that heading. Such things as lancing of boils, removal of bad splinters, skin lacerations, and the dressing of simple wounds do come under that heading. But if a wound involves the severance of a ligament, then it becomes major surgery. THE SERVICE DOES NOT COVER THE SETTING OF ANY BONES OR BIRTH CONTROL," NOR DOES IT INCLUDE THE FURNISHING OF ANY MEDICINE, X-RAYS, ELECTRICAL OR RAY TREATMENT, OBSTETRICAL CASES (BABY CASES), "SHOTS" MEANING HYPODERMICS, MAKING MARRIAGE OR CIVIL EXAMINATIONS, OR GIVING ANAESTHETICS OR LABORATORY WORK. See the list of charges covering this at the end of the folder.

8. If the service required of the Aerie Physician is above and beyond that which a member (or his family) is entitled to under his membership, all arrangements, prices, procedures, etc., should be agreed upon between the member (or patient) and doctor before any service is performed except in extreme emergency. It is the duty of the Aerie Physician to advise a member as to when he is to be charged for treatment or services of any nature.

MEMBERS IN ARREARS

1. No member who is taken sick while in arrears shall, by paying such arrearages be entitled to any sick or funeral benefits by reason of the payment of such arrearages. A member who has been in arrears shall not be entitled to sick benefits for any sickness that shall have commenced within a period of 20 days after the payment of such arrearages, but such members shall be entitled to funeral benefits, provided, they, at the time of paying arrearages, were in all respects in good health.

MEMBERS NOT ENTITLED TO BENEFITS

1. No member shall be entitled to sick benefits, who because of his physical or mental condition is able to conduct his business or attend to, or carry on his occupation, trade, business, calling, profession, or employment, in whole or in part, from which he receives an income, wages, or salary, or if he fails to see a doctor at least once a week during his illness.

INTOXICATION, OPIATES, IMMORAL CONDUCT, ALTERCATIONS

1. No member shall be entitled to sick or funeral benefits for any sickness, disability or injury which shall have been caused or brought about by the use of intoxicating liquors, opiates, immoral conduct, altercations, or any violation of the law.

2. The membership will find the Aerie Physician anxious to do his full duty. FOR THAT REASON, IN ORDER TO COMPENSATE HIM FOR THE TIME AND TROUBLE HE TAKES IN GIVING THE REGULAR SERVICES, THE MEMBERS SHOULD ALSO GIVE HIM THEIR PATRONAGE IN CASES FOR WHICH CHARGES MUST BE MADE. THAT WOULD BE THE TRUE FRATERNAL SPIRIT. Do not call the Aerie Physician unless there is a real need. Be fair. Only in that way can you be sure of a prompt response when you actually need his services. Don't just call because you feel the service is free. Others may need him.

3. The Aerie Physician is not required to give service to members who live outside the corporate limits of the city. A call will be made within the three mile limit, but a charge will be made.

4. If a serious case develops and the patient and Aerie Physician both decide that the services of a consulting physician are necessary, then the cost of such consultant must be paid by the member and not the Aerie. In the interest of a good medical service and with a primary interest in the welfare of the patient, himself, in mind, it is the policy of the medical staff to suggest referring all severe and complicated eye, ear, nose, uralogical, neuralogical, brain, severe orthopedic, skin and allergy cases. If the patient refuses to follow this advice, the medical staff will attempt to carry on in the best way they can, but it is strictly understood that such a procedure is solely the risk and responsibility of the patient involved.

5. Visiting members of other Aeries (if in good standing) and their families are also entitled to emergency services of our Aerie Physician, if they are in the city for three months or less. From then on they must pay at the same rate charged for active members, fifty cents per member (per quarter).

6. Widows and orphans of deceased members (who are in good standing at the time of death) are entitled to the services of the Aerie Physician provided they pay $2.00 per year. If the widow remarries, or if the minor children attain their majority, as previously stated, then the service automatically ceases.

7. The Aerie Physician is required to make full report on all members who are ill or who have been given service.

8. Every precaution should be taken to avoid inconveniencing the Aerie Physician. If he cannot be reached and another doctor is called, be sure to so advise the Aerie Physician's office. As we said before—be fair and cooperate.

9. In case of ANY QUESTION ARISING BETWEEN THE MEMBER AND THE AERIE PHYSICIAN, the matter should not be discussed or argued about either in the Aerie or out of it, but SHOULD BE PLACED IN WRITING BEFORE THE GRIEVANCE COMMITTEE, whose decision must be considered final. (See Benefits, Section 2). If you have any complaints as to the services of the Aerie Physician, do not call the Secretary or any other officer. Put it in writing and send it to the Worthy President (care of the Secretary) so that he can place it before the Grievance Committee. The officers have the sole power to supervise the acts and duties of the Aerie Physician and to hear and determine all complaints. Each side must be heard by the officers of the Aerie, but they must make a finding within two weeks of the filing of the complaint. The only person who can reverse a ruling of the Grievance Committee, is the Grand Worthy President of the Order. The Aerie, for obvious reasons, cannot take such action.

6602-6603
6604-6605
4780
4780

6592-6593
6598-6599

Remember Our Slogan:

EVERY MEMBER OWES HIS AERIE AT LEAST ONE NEW MEMBER EACH YEAR

FULFILL YOUR DUTY TO PORTLAND AERIE SIGN UP YOUR NEW MEMBER TODAY

PORTLAND AERIE NO. 4 FRATERNAL ORDER OF EAGLES

KEEP THIS BOOKLET

Portland Aerie No. 4

Fraternal Order *of* Eagles

615 S. E. Alder
Portland, Oregon

Short form interpretation of the laws of the order referring to:

The Aerie Physician Service and Benefits

AERIE PHYSICIAN

DR. JEROME L. HOLZMAN
204 Medical Arts Bldg. BEacon 0458

To obtain a physician follow the instructions exactly on the inside of this folder.

Do not follow any other procedure

RAY E. SMITH, *Secretary*
Office ..... 615 S. E. Alder Street
Phone: Office ..... EMpire 5307

DO NOT PHONE SECRETARY FOR DOCTOR APPOINTMENTS. HE IS ALWAYS READY, HOWEVER, TO ANSWER QUESTIONS AND CORRECT ANY MIS-INFORMATION.

The inside information is for the guidance of ALL MEMBERS

PLEASE READ CAREFULLY!

6594

4782

DOCTORS' SERVICES, ETC.

1. If a member or his family needs an emergency call at any time of day or night, call the chief Aerie Physician's office:

DR. JEROME L. HOLZMAN
204 Medical Arts Building — BEacon 0458

If there is no answer from this office, then call the BEacon 3181 exchange. DO NOT CALL ANY OTHER EXCHANGE. The BEacon 3181 exchange will provide a physician for you.

If no Eagle doctor is available another doctor will be sent. The first call only will be paid by the Eagles up to $5.00. Beyond that, to get Eagle service the patient must transfer back to the Eagle doctor.

IT IS MANDATORY that the patients visit the doctors' offices for treatment when they are able to do so. An emergency house call will be made when necessary, but repeated house calls for the same condition are not covered. A case which requires repeated house calls is a case which should be treated in a hospital where it belongs. All such hospital calls are covered by the service, but the cost of the hospital must be borne by the member and not the Aerie. Follow this rule and you will receive good and conscientious service.

2. The Aerie Physician is not required to make emergency calls to members who live outside the corporate limits of the city.

3. IF AN OFFICE CALL IS WANTED, call either of the following men and obtain an appointment:

DR. JEROME L. HOLZMAN
204 Medical Arts Building — BEacon 0458

DR. EARL SMITH
412 Old Journal Bldg. — ATwater 5081

If no answer, call the BEacon 3181 exchange. Do not call any of the emergency doctors. They answer emergency calls only. All visits to the doctors' offices are by appointment. Emergency cases will be given preference and taken care of immediately at the office without a previous appointment.

MATERNITY CASES will be assigned through Dr. Holzman's office.

(The rest of this exhibit is similar to the other pages of Exhibit 1253.)

Plaintiff's Exhibit 1255

6608 Regular Meeting of the Jackson County Medical Society held Nov. 10, 1937 at the home of Dr. and Mrs. F. G. Thayer, Medford, Oregon.

The meeting was called to order by Pres. Clancy.

Members present included Drs. Drummond, Green, Durno, Dodson, Stearns, Gregg, Holt, Sweeney, MacCracken, Hayes, H. Woods, Brower, Heckman, Haines, Shaw, Standard, Roney, Clancy, Sleeter, E. A. Woods, Moffat, Bishop, Johnson, Mortensen, Inskeep, Findley, Thayer, and Kresse.

The minutes of the last meeting were read and approved.

Guests present included Drs. Poston and Gilpin.

Dr. Hayes moved that the secretary send a copy of the resolution relative to pre-paid health insurance adopted at the last meeting to the Council of the State Medical Society. Seconded by Dr. E. A. Woods. Carried.

The secretary read the resolution relative to severing relations with lay-owned hospital associations. The discussion was opened by Dr. Clancy. Dr. Haines moved that the resolution be accepted. Seconded. It was discussed by Drs. Sweeney, Green, Durno, Haines, Findley, Sleeter, and Kresse, Holt moved to amend the motion to deferr action until the next regular meeting. Seconded by Dr. MacCracken. Carried.

* * * * *

(Signed) HARVEY A. WOODS
Harvey A. Woods, Sec.

6609 RESOLUTION TO BE PROPOSED TO JACKSON COUNTY MEDICAL SOCIETY

Whereas, the members of the Jackson County Medical Society are aware that some form of prepaid medical care should be made available to this community; and

Whereas, those plans for prepaid medical care now operating under the auspices of lay-owned hospital associations have proven to be detrimental to the best interests of the general public and the medical profession; and

Whereas, the Oregon State Medical Society has ruled that a physician who maintains any connection with a lay-owned association is guilty of unethical practice;

Now, therefore, the Jackson County Medical Society does resolve that;

(1) Before December 31, 1937, each and every member of the Society shall sever all connections with each and all lay-owned hospital associations.

(2) Any treatment or care rendered any subscriber to a contract held by such lay associations shall be made to that individual as a private patient, at private rates, with no notice whatever to lay-owned hospital association.

Plaintiff's Exhibit 1256

(Joseph Harvey, Ptld., Ore. Mgr. of O.P.S. advised that attached letter was written between July 1, 1947 and Nov. 1, 1947.—NBB9-9-49.)

6610 Gentlemen:

Since about March of this year when it became apparent that the State Medical Society should logically negotiate a new fee schedule with the State Industrial Accident Commission your O.P.S. Supervisory Committee in Multnomah County has been working on the O.P.S. fee schedule. There were two motivating factors behind this effort, first, the State Society had asked Oregon Physicians' Service to revise its fee schedule so that in no instance would an O.P.S. fee be lower than its comparable Accident Commission fee, and second, that a considerable number of "inequities" existed in the current O.P.S. schedule.

Your Committee spent many long hours studying the problem of physician fees under a prepayment plan. Final recommendations of your committee were subsequently approved by the Council of the Multnomah County Medical Society and sent to the O.P.S. Board of Directors for consideration along with the hearty recommendation of the Multnomah County committee.

With one exception, the State Board of Directors adopted the recommended schedule of fees to be effective beginning with services rendered on November 1, 1947. No doubt you will, within a few weeks, be receiving your copy of the new schedule from the O.P.S. business office.

As near as we have been able to determine the revised schedule will involve an approximate 15% general increase in the level of fees for services to O.P.S. subscribers. The question immediately comes to mind as to why the fee schedule should be increased when we are at the present time paying only 90% of the existing schedule in Multnomah County. The answer is two-fold. In the first place, many of the physicians who have studied the current O.P.S. schedule carried a strong conviction that the inequities therein simply had to be adjusted to permit O.P.S. to operate in a fair and reasonable manner. If, in correcting these inequities, the general level of fees was increased, it could be said that the revised schedule would provide a fairer method of distributing the funds that are available for Multnomah County cooperating physicians. Secondly, it is your committee's considered
6611 opinion that with very little additional effort on the part of each O.P.S. staff physician the Multnomah County pool can pay a reasonable percentage of the new schedule. Please do not misunderstand—we must furnish O.P.S. subscribers with good, adequate, sound, and accepted medical care. As a profession we have contracted with the members of the O.P.S. service plan to provide this care in the best way we know how, and it is certainly not our intention to suggest any lowering of standards with respect to this class of patient.

On the other hand we all realize that there is a certain amount of wasted effort that constitutes an expense to the Multnomah County pool. Perhaps it's only an extra day in the hospital here and there, or perhaps it is represented by a chest x-ray that the patient wants even when you think it is not indicated, or it may be one of any number of "little" items. Your committee sincerely believes that there is enough margin in some of these border-line expenses to maintain the new fee schedule at a reasonable percentage, if each member doctor will take it upon himself to do just a little bit. Parenthetically, the question frequently arises in committee meetings as to what to do with the O.P.S. patient who demands certain services that are not at all indicated. All of us face this problem now and then. There is only one answer—if the individual physician will think of Oregon Physicians' Service as his "own" organization rather than as an insurance company, the problem would pretty well solve itself. The O.P.S. business office can't do a thing about this particular situation; it is up to the individual physician to govern

the quantity and quality of service rendered according to the patient's needs—not according to the patient's idea as to what should be done for him.

It would amaze you as it has amazed your committee to discover what a small difference actually exists between the pool operation that consistently pays 100% of fee schedule and that which consistently pays 85% of fee schedule. The business office tells us that during the first six months of 1947 a saving of less than $10.00 per month by each cooperating physician in Multnomah County would have enabled the pool to pay 100% of fee schedule rather than 85%. It just doesn't seem possible that that small amount of effort on each doctor's part would make such a difference in the O.P.S. operation, both from the money standpoint and from the professional relations standpoint. You can see that with the difference between going over the top and staying where we are as small as it is, it certainly behooves us to make an effort in this direction. It also becomes readily apparent that it would really be no trick at all to bring the level of payments up to 100% of the new schedule—no doubt each physician's conserving $15.00 or $20.00 a month of the pool income would make that possible. With these points in mind you can readily see why your committee was not at all reluctant to recommend changes in the fee schedule. However, from here on out it's pretty much up to the individual stockholders in O.P.S.

6612 You have no doubt been wondering why this information was not sent to you in letter form rather than being presented in this manner. Your committee felt that this was the only way in which some of the statements which I have just made to you could have been made without being subject to distortion and misinterpretation by other companies operating in the same field. Gentlemen, in Oregon the medical profession's own prepayment plan is in a highly competitive field. Accordingly due caution must be exercised in bringing these thoughts to the physician stockholder members of O.P.S. We believe that an honest, straightforward explanation of the principles under which the Medical Society is sponsoring and operating O.P.S. will go a long ways toward solving some of the basic problems that have been encountered—hence our oral presentation of this particular problem. You will be doing your profession and yourself a service if you will reflect upon these developments and make sure that your

colleagues are aware of what your committee is trying to do.

Sincerely yours,

OREGON PHYSICIANS' SERVICE
SUPERVISORY COMMITTEE FOR
MULTNOMAH COUNTY

Drs. R. H. Swinney, Chairman
C. L. Booth
B. O. Woods
A. M. Boyden
J. W. Wiley
B. L. Titus
A. G. Kimberley

Plaintiff's Exhibit 1258

6613

BY-LAWS

Rules and Regulations

THE SALEM GENERAL HOSPITAL
MEDICAL STAFF

PREAMBLE

Recognizing that the best interests of the patient are protected by concerted effort the physicians practising in the Salem General Hospital hereby organize themselves in conformity with By-Laws, Rules and Regulations hereinafter stated

For the purpose of these By-Laws the word "Medical Staff" or "Staff" shall be interpreted to include all physicians who are privileged to attend patients in the Salem General Hospital

Whenever the term "Governing body" appears it shall be interpreted to refer to the Board of Control of the Salem General Hospital

ARTICLE I. Name

The name of this organization shall be the "Medical Staff of the Salem General Hospital"

ARTICLE II. Membership.

Section 1. Qualifications: (a) Membership shall consist of the original members; meaning the present staff members

who are graduates of recognized medical schools (b) legally licensed to practice in their respective fields in the State of Oregon, qualified for membership in the County Medical Society and practicing within a reasonable distance of the hospital, worthy in character and in matters of professional ethics, after they have adopted and signed these articles, rules and regulations, (c) and to legally licensed and reputable dentists who are members of the American Dental Association who may be admitted to the Visiting Staff.

Section 2. New Members: Physicians and surgeons who wish to become members of the staff, in the future, shall make application on the prescribed form which shall state the qualifications and references of the applicant and shall signify his agreement to abide by the By-Laws, Rules and Regulations of the Staff.

Section 3. Procedure of appointment:

(a) The application for membership on the Staff shall be presented to the Superintendent of the Hospital and by him referred to the Secretary of the Staff

(b) At the first regular meeting, thereafter, the Secretary shall present the application to the Staff at which time it shall be referred to the Credentials Committee

(c) The Credentials Committee shall investigate the character, qualifications and standing of the applicant, and shall submit a report of findings at the next regular meeting of the Staff or as soon thereafter as possible, recommending that the application be accepted, deferred or rejected. In no case shall this report be delayed for more than three months

6614 • • • • •

Section 5 Ethics and Ethical Relationships The Code of Ethics as adopted by the American College of Surgeons and the American Medical Association shall govern the professional conduct of the members of the Medical Staff. Specifically all members of the Medical Staff shall pledge themselves that they will not receive from or pay to another physician, either directly or indirectly any part of a fee received for professional services. On the contrary it shall be agreed that all fees shall be collected and retained by the individual physician in accordance with the value of the services rendered

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6620 • • • • • •

Section 18. Patients may be treated only by physicians who have submitted proper credentials and have been duly appointed to membership on the Staff.

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(These are the Rules as Revised in March 1941.)

Plaintiff's Exhibit 1260

6622 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT

(Illness and Non-Occupational Accidents)

CONTRACT, made and entered into on this 3rd day of May, 1947;

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S.";

AND SALEM GENERAL HOSPITAL OFFICE EMPLOYES GROUP.

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the subscribing-members of the group, hereby agree to procure, and make available, at the expense of O. P. S., to each member entitled to the benefits of this contract, from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICES: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each member entitled to the benefits of this contract, for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for covenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices,

or at hospitals approved by O. P. S., ~~or at the~~ member's home, ~~or~~ at the place of occurrence of an emergency illness or injury. Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the member requiring such services is such as to render him unable to travel to such physician's or surgeon's office. Each member entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of illness or injury.

2. EMERGENCY CARE: If injury or illness shall occur within the state of Oregon to a member entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, the member may obtain the services of the most conveniently available doctor of medicine licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill member until such time as a physician or surgeon cooperating with O. P. S. can render such member his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of the member to notify O. P. S. of such injured or ill member's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of said member other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: A member entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continental United States of America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill member to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such member to give such notice to O. P. S. shall

relieve O. P. S. from all responsibility for the care of such member other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

6623 4. SPECIALISTS: Services of specialists cooperating with O. P. S. will be procured on the recommendation of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. DENTAL SERVICES: Dental services of dentists authorized by O. P. S. will be procured to the extent of such simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief from pain. Extractions are limited to not more than four teeth in any one case, except that a physician or surgeon cooperating with O. P. S. may authorize additional extractions for the treatment of systemic illness of a member then and theretofore under the care of such physician or surgeon for such systemic illness. Services for the extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time, nor services for the treatment of pyorrhea. Treatment for Vincent's Angina (trench mouth) will be furnished as well as dental X-ray when ordered by an attending physician.

6. MEDICINES FOR HOSPITALIZED PATIENTS: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of members while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever and amoebic dysentery, in case the member will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. HOSPITAL SERVICES: O. P. S. will bear the expense of hospital services and accomdations, when required for the treatment of members, in general hospitals approved by O. P. S., and as will be authorized by O. P. S. Such hospital services will include ward accomodations, board, services of an hospital staff nurse, use of surgery, X-ray, laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S., require quiet surroundings and special care. Should the injured or ill member not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the member for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

8. AMBULANCE SERVICE: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation, for conveying the seriously ill or injured member to the nearest general hospital approved by O. P. S. for hospital service in the event that ordinary transportation shall not be appropriate.

9. SPECIAL NURSING: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

10. X-RAY SERVICE: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

11. PHYSICAL-THERAPY: Physical-therapy will be procured by O. P. S. when, in the judgment of the attending physician or surgeon cooperating with O. P. S., such treatment shall be indicated.

6624 12. PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examina-

tion of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S., upon request of the member, whenever such an examination will not have been made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examination, unless such examing physician shall find specific necessity therefor and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the member's coverage by O. P. S., except as provided in Section 15 (c) of this contract.

13. REFRACTIONS: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S., provided that the member will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

14. PROPHYLACTIC MEASURES: O. P. S. will procure such prophylactic measures as may reasonably be necessary in preventing the spread of disease among members. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

15. MEDICAL, SURGICAL AND HOSPITAL COVERAGE: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by a member during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by a member during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic, or diagnosed, or being treated, at the time when the member will first become entitled to the benefits of this contract;

(c) Chronic illness arising in a member who will have become entitled to the benefits of this contract on

the date on which this contract will first become effective as to other members, except that during the first six months of such member's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in a member who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to other members, except that such chronic illness as will have become active or will have manifested itself during such member's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this subsection (15 (c)) credit will be given to members for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such member's coverage by this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when a member will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immediately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", 6625 as used herein, hereby is defined to be an ailment of prolonged duration characterized by slowly progressing symptoms, as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care, or immediate medical or surgical care, and shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), diseased tonsils, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

16. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract to which the member is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the member's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the member will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 15 of this contract), nor injuries occurring to the member prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured member will have been the aggressor, nor injury nor illness sustained by the member as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.

(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or the results thereof, subject to quarantine, but O. P. S. will procure physicians' services in such cases when necessary.

(c) All benefits provided for by this contract are, and will be, limited to one year from the date of first treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to six months, except that in a case involving a cerebral condition, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service is, and will be, limited to three

months. O. P. S.' responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving three months of care at the Oregon State Tuberculosis Hospital. The procurement of a private room is, and will be, limited to thirty days in any one case. The period of thirty days provided herein for private room accommodation shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is, and will be, limited to thirty days' service in any one case.

6626 (d) Materials for allergy treatment will not be procured. O. P. S. will procure such services of a physician or surgeon cooperating with O. P. S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O. P. S.

(e) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be, procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(f) The benefits of this contract do not apply to any injury or illness of any member caused by the negligence or wrongful act of any other person, except to the extent that if a member entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such member the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds

shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(g) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract, employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O.P.S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

(h) No benefit, right or interest of the member under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

17. ARBITRATION PROVISIONS: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S. at any time determine that any member is not, or will not be, entitled to the treatment, or any treatment, herein stipulated, and that such member's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, the member shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practice in the State of Oregon, to examine such member for the purpose of advising such member whether such determination made by O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event, O. P. S. and the member shall select another competent, practising medical physician or surgeon, duly licensed to practise in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contrary to such determination made by O. P. S.,

then O. P. S. shall pay a reasonable fee to such consulting physician or surgeon and also a reasonable fee to
6627 such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such member shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

18. PAYMENTS: In consideration of the agreement hereinbefore set forth, to be kept and performed by O. P.S., the signer of this contract, or a designated assistant, agrees to remit to O. P. S. before the tenth of the current month all dues collected by him from each member who subscribes to this contract.

a. ..... per month for each member covered under this contract.

19. It is understood and agreed by and between the parties hereto that this agreement shall remain in full force and effect from the 1st day of May, 1947, to the thirty-first day of December, 1947, or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement can be terminated or rescinded by either party by rendering thirty days' notice in writing to the opposite party that the agreement herein contained is being violated. In the event that payments are not received from the signer of this contract, or a designated assistant, in accordance with section (18) hereof, O. P. S. shall have the right to cancel this agreement at any time by the rendering of ten days' notice in writing of such cancellation. Provided, further, that O. P. S. may at its option and upon giving sixty (60) days prior written notice of its intention so to do, make such changes in that contract affecting the rate to be charged or services to be rendered as may in the opinion of O. P. S. be necessary or desirable to the continuation of adequate and competent service. Failure, however, to give notice as specified herein of such contemplated change or changes shall have the effect of continuing this contract and all its terms and conditions according to the tenure thereof and without affecting the rights and privileges of members thereunder.

Upon termination of this contract for any reason, all members shall be entitled to the benefits provided herein for any condition which may have arisen prior to such ter-

mination, and shall receive such benefits as though said contract shall not have been terminated, provided that such member had applied for or had received treatment before the date of termination.

While by its terms this agreement expires on the thirty-first day of December, 19...., it is agreed that unless one party to this agreement gives to the other at least fifteen days before the expiration of said period, written notice of its election that the agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, The parties hereto have caused these presents to be executed in duplicate, pursuant to authority heretofore granted, as of the date first hereinabove written.

OREGON PHYSICIANS' SERVICE

By (Signed) K. G. MANNING
Prov. Manager

SALEM GENERAL HOSPITAL GROUP
OFFICE EMPLOYES

By (Signed) MARGARET A. WAGNER
Collector

Plaintiff's Exhibit 1261

6628 OREGON PHYSICIANS' SERVICE

Supplemental Group Family Surgical, Obstetrical and Hospital Service Agreement

This supplemental agreement, made and entered into this 1 day of August, 1947, by and between Oregon Physicians' Service, hereinafter called O. P. S., and SALEM GENERAL HOSPITAL, Office Employes, hereinafter called the Employer, shall constitute a rider to the group employe Medical and Hospital Service Agreement dated May 1, 1947 and currently in effect, or hereafter to be in effect, between O. P. S. and the Employer.

WITNESSETH: That O. P. S. for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to all family members (not otherwise subject to O. P. S. coverage) of each employe, who is covered under the original group employe contract and who subscribes for coverage for his family members on the basis stipulated herein from time to time during the life of this supplemental agreement, as occasion demands, and/or bear the expense thereof to the extent hereinafter stipulated, surgical services, treatment of fractures and dislocations, obstetrical care, services by specialists, hospital services in ward rooms, meals and dietary services in hospitals, general nursing care in hospital cases, use of hospital operating rooms and other benefits as stated hereinafter.

I. *Surgical and obstetrical care for family members shall include the following services*:

a. *Surgical service for major and minor operations* involving cutting or incision, performed in or out of a hospital, shall be provided for the treatment of coverable illness or injury.

b. *Treatment of fractures and dislocations,* including X-rays in fracture and dislocation cases, shall be furnished at a physician's office or at a hospital.

c. *O. P. S. shall defray the cost of pre-natal and obstetrical service* rendered by a cooperating staff physician up to a maximum of fifty ($50.00) dollars in any coverable case. Such payment is intended as an "allowance" in the event that the total cost of professional pre-natal and obstetrical services should exceed the above stipulated amount in any such case.

d. *The surgical and consultation services of O. P. S. cooperating staff specialists* will be provided for any coverable surgery upon the recommendation of any attending staff physician and surgeon or by arrangement with O. P. S. Services of staff eye, ear, nose and throat specialists will be furnished when needed for the care of coverable surgery of the eye, ear, nose or throat. O. P. S. shall bear no liability with reference to travel or non-hospital subsistence expense involved in any case requiring services by specialists.

II. *Hospital Care for family members shall include the the following services*:

a. Care in a room of three or more beds.

b. Meals and dietary services.

c. General nursing care.

d. Use of operating rooms.

6629 e. Delivery room service in maternity cases.

f. Anesthesia.

g. Surgical and anesthetic supplies.

h. Routine splints, casts and dressings.

i. Routine laboratory examinations.

j. Diagnostic X-ray service for patients confined in hospitals.

k. Electrocardiograms and basal metabolism tests.

l. Drugs and medications in hospitalized cases up to but not in excess of five dollars ($5.00) per hospital admission.

m. Maternity care up to sixty dollars ($60.00).

n. Hospital emergency room care for accidental injuries.

III. *Service Prerequisites and Limitations.*

a. In cases which require hospital care all stipulated services shall be furnished to a family member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist. In coverable cases which do not require hospital care all stipulated services shall be furnished to a family member only when said member is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist.

b. In any case requiring hospitalization hereunder it shall be the duty of the family member to notify promptly the hospital and the attending O. P. S. staff physician that he is an O. P. S. family member, and failure to select an O. P. S. cooperating physician or to notify either the hospital or physician concerning

membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

In any coverable case which does not require hospitalization it shall be the duty of the family member to notify promptly the attending O. P. S. staff physician that he is an O. P. S. family member and failure to select an O. P. S. cooperating physician or to notify the attending physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

c. Excepting as otherwise provided herein for obstetrical care, the obligation of O. P. S. to provide any of the hereinabove listed services from physicians, surgeons or consulting specialists for any coverable case shall be limited to a period not to exceed six (6) months immediately following the date of original diagnosis of any such case. This limitation shall apply to any one coverable condition arising from a separate and distinct cause and shall include any and all related complications of such condition.

The obligation of O. P. S. to provide hospital care, as defined hereinabove, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a family member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of an O. P. S. cooperating physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

6630 d. In conditions necessitating hospitalization beyond twenty-one (21) days, O. P. S. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) percent of such costs for a maximum period of not to exceed ninety (90) days immediately following said twenty-one (21) day period.

e. Family members traveling or temporarily outside of the State of Oregon are entitled to reimbursement for the expense of coverable hospital care obtained outside of the State of Oregon up to a maximum of six dollars ($6.00) per day for a period not to exceed

twenty-one (21) days in any coverable case. O. P. S. liability for emergency professional services coverable hereunder and obtained outside of the State of Oregon (other than hospital services) shall not exceed fifty dollars ($50.00) for any coverable case. Services hereunder are limited to the Continental United States.

In the event that coverable services stipulated hereunder should be obtained by a family member from any Oregon hospital which may require payment therefore direct from the patient involved, then, and in that event, O. P. S. shall be responsible for reimbursement for such service costs only up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days for any coverable case.

f. In addition to services specifically provided elsewhere herein, for certain cases, O. P. S. will defray the cost of hospital emergency room charges for the treatment of accidental injuries, provided the use of emergency room service occurs within twenty-four hours following the time of accident.

g. O. P. S. will defray the cost of pre-natal and obstetrical professional service rendered by cooperating staff physicians, to the extent hereinabove specified in paragraph I (e), and will provide hospital care for childbirth to the extent stipulated in paragraph II (m), under the following conditions:

(1) The member must be in a dues-paying two or more person family (including the employe group member) or must be an employe-member under the original employe agreement, and

(2) The maximum liability for professional service to be provided by O. P. S. shall not exceed fifty ($50.00) dollars in cost in any twelve months' period, and

(3) The maximum hospital service to be provided by O. P. S. shall not exceed sixty ($60.00) dollars in cost in any twelve months' period, and

(4) The member requiring such services must have been a member in good standing for at least ten (10) consecutive months immediately preceding

her need for such professional and/or hospital care.

h. O. P. S. shall not be responsible or liable to any member if hospitalization is unavailable as a result of epidemic, public disaster or other causes or conditions beyond its control.

i. The following services are expressly excluded and O. P. S. shall bear no liability concerning such services:

(1) Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care under any Workmen's Compensation or Employers' Liability Law.

6631 (2) Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.

(3) Services for preexisting conditions, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

(4) The benefits of this agreement do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person except that if an employe entitled to the benefits of this agreement is injured or suffers illness because of the wrongful act or negligence of any other person and thereafter makes all reasonable effort to recover from said other person and anyone responsible for said other person, O. P. S. will supply to said employe all benefits of this agreement that cannot be made available with the funds recovered.

j. The expressed written opinion of any O. P. S. cooperating physician attending any particular case shall be final with reference to the necessity for services stipulated hereunder for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, O. P. S. reserves the right, at its option, to utilize the

services of one or more specialists in the determination of the status of any case.

k. Service rights or benefits stipulated hereunder are not transferable from any member to any other person.

l. In the event that a family member should desire to utilize hospital room service of a higher cost classification than that provided hereinabove, O. P. S. will bear the cost thereof up to the room service level provided hereinabove.

m. Professional services of cooperating physicians and surgeons and twenty-four (24) hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any family member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

IV. *Payroll deductions and payments for subscribing family members.*

In consideration of the agreements hereinabove set forth, to be kept and performed by O. P. S. the Employer agrees to arrange payroll deductions from the salaries of employe-group members who elect to have their families participate hereunder and to pay O. P. S. for the coverage of such participating family members on or before the fifteenth day of each and every month hereafter during the time this supplemental agreement shall remain in effect, as follows:

a. Two dollars ($2.00) per calendar month for each participating spouse (not otherwise subject to O. P. S. coverage) of an employe-group member.

b. One dollar and thirty-five cents ($1.35) per calendar month for the first participating child of an employe-group member.

c. Seventy-five cents ($.75) per calendar month for the second participating child of an employe-group member.

6632 d. Fifty cents ($.50) per calendar month for the third participating child of an employe-group member.

e. No additional charge for additional children, if any, in excess of three.

f. Any spouse eligible for coverage hereunder may participate up to the age of sixty-five (65) years.

g. Any unmarried child eligible for coverage hereunder may participate providing the age of such child is not less than thirty (30) days or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age, any previously participating child may apply for continuance of coverage in accordance with the regulations established by O. P. S.

h. Coverage hereunder, and payments of premiums therefore, shall apply only to the immediate family of the group-employe member who subscribes for this family service. Such immediate family shall include the spouse and unmarried children not less than thirty (30) days or more than eighteen (18) years of age. Only the entire immediate family as a unit, including all eligible members shall be subject to coverage hereunder.

V. *Effective period and termination provisions.*

It is understood and agreed by and between the parties hereto that this supplemental agreement shall remain in full force and effect from the 1 day of August, 1947, to the thirty-first day of December 1947, or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement may be terminated or rescinded by either party by rendering thirty days advance notice in writing to the opposite party that the supplemental agreement herein contained is being violated. In the event that payment shall not be received from the Employer in accordance with Section IV hereof, O. P. S. shall have the right to cancel this supplemental agreement at any time by rendering fifteen days advance notice in writing of such cancellation.

It is further agreed that this supplemental agreement may be terminated in accordance with the provisions stipulated herein entirely independently from the original group-employe agreement and that the termination of this supplemental agreement shall not be constrned as cancellation or termination of the original group-employe agreement. However, cancellation or termination of the original

group-employe agreement in accordance with the terms thereof shall be construed expressly as concurrent cancellation or termination of this supplemental agreement.

In the interests of making this contract service as satisfactory as possible for subscribing family members at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that O. P. S. shall have the right to change or amend any of the benefits and/or premium rates provided herein to be effective as of the first day of any month by rendering written notice to the Employer concerning such revisions at least forty-five (45) days prior to the effective date of such revision. However, in such an event the Employer shall have the privilege of terminating this supplemental agreement effective on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

While by its terms this supplemental agreement expires on the thirty-first day of December 1947, it is agreed that unless one party to this supplemental agreement gives to the other, at least fifteen (15) days before the expiration of said period, written notice of its election that the supplemental agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

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IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to the authority heretofore granted, as of the date first hereinabove written.

OREGON PHYSICIANS' SERVICE

By (Signed) K G MANNING
Manager

SALEM GENERAL HOSPITAL, Office Employes
Employer

By .....
Title

4808

Plaintiff's Exhibit 1262

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STATE OF OREGON

CHARLES H. MARTIN, *Governor*

Twenty-eighth Annual Report

of the

INSURANCE COMMISSIONER

1936

For the Year 1935

HUGH H. EARLE
Insurance Commissioner
SALEM, OREGON

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RECAPITULATION OF FINANCIAL STATEMENTS

(1) CLASS	(2) Capital paid up	(3) Income 1935	(4) Disbursements 1935	(5) Admitted assets	(6) Liabilities including capital	(7) Net surplus
Fire and Marine	$276,954,907	$ 769,673,420	$ 690,471,670	$ 2,008,246,067	$ 1,075,383,719	$ 932,862,348
Life	64,523,511	*4,816,123,497	*3,500,900,194	21,536,710,343	20,689,152,088	847,558,255
Miscellaneous	75,428,913	615,051,963	550,421,199	936,278,860	755,260,533	181,018,228
Hospital Associations	173,639	1,432,129	1,396,501	721,573	468,189	253,384
Inter-Insurance Exchanges	.....	16,536,538	14,338,124	24,280,839	9,974,384	14,306,455
Mutual Fire Companies (Domestic)	.....	816,161	640,534	1,302,985	673,094	629,891
Mutual Fire Companies (Foreign)	.....	48,352,998	40,489,613	73,736,294	41,743,420	31,992,874
Fraternal Benefit Societies	.....	135,937,498	105,971,255	669,983,051	584,694,657	.....
Motor Clubs	.....	122,886	101,466	91,779	51,012	40,767
Title and Trust Companies	1,301,100	439,280	400,787	2,604,693	2,062,579	542,114
Totals	$418,382,070	$6,404,491,365	$4,905,131,343	$25,253,956,484	$23,159,463,675	$2,009,204,316

* Includes Accident and Health Department.

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HOSPITAL ASSOCIATIONS

Condensed Financial Statements as of December 31, 1935

(1) NAME OF ASSOCIATION	(2) Capital paid up	(3) Income 1935	(4) Disbursements 1935	(5) Admitted assets	(6) Liabilities including capital	(7) Net surplus
Corvallis General Hospital Association, Corvallis, Ore.	$	$ 41,547	$ 42,309	$ 119,156	$ 74,731	$ 44,425
Eugene Hospital and Clinic, Eugene, Ore.	44,000	281,084	277,751	119,347	137,811	—18,464
Hillside Hospital Company, Klamath Falls, Ore.	59,600	88,112	88,581	86,089	84,613	1,476
Industrial Hospital Association, Portland, Ore.	10,000	217,114	218,496	52,951	30,427	22,524
Multnomah Industrial Health Association, Portland, Ore.	6,339	98,520	93,033	34,095	14,757	19,338
National Hospital Association, Portland, Ore.	20,000	490,558	464,718	249,297	79,066	170,231
Physicians & Surgeons Hospital Association, Salem, Ore.	8,700	52,549	51,100	17,035	15,260	1,775
Prudential Hospital Association, Portland, Ore.	5,000	33,584	32,609	10,435	5,250	5,185
Pumphrey Company, The, Portland, Ore.	5,000	58,995	57,480	15,983	10,568	5,415
C. H. Weston Company, Portland, Ore.	15,000	70,056	70,424	17,185	15,706	1,479
Totals	$ 173,639	$ 1,432,129	$ 1,396,501	$ 721,573	$ 468,189	$ 253,384

INTER-INSURANCE EXCHANGES

Condensed Financial Statements as of December 31, 1935

(1) NAME OF EXCHANGE	(2) Business in force Dec. 31, 1935	(3) Income 1935	(4) Disbursements 1935	(5) Admitted assets	(6) Liabilities	(7) Net surplus
Affiliated Underwriters, New York City	$ 94,573,912	$ 443,345	$ 413,761	$ 944,710	$ 513,129	$ 431,581
Canners Exchange Subscribers at Warner Inter-Insur. Bureau, Chicago, Ill.	.....	2,022,544	1,654,477	3,402,286	762,058	2,640,228
Casualty Indemnity Exchange, St. Louis, Mo.	41,555,000	77,063	70,946	210,980	29,929	181,051
Casualty Reciprocal Exchange, Kansas City, Mo.	.....	1,971,833	1,597,401	2,085,471	1,479,593	605,878
Druggists Indemnity Exchange, St. Louis, Mo.	9,792,461	127,522	128,251	283,500	58,640	224,860
Farmers Automobile Inter-Insurance Exchange, Los Angeles, Cal.	.....	3,103,653	2,587,629	2,153,498	1,702,322	451,176
Individual Underwriters, New York City	226,391,190	503,562	471,392	1,926,265	479,036	1,447,229
Lumbermens Underwriting Alliance, Kansas City, Mo.	226,912,703	2,556,162	2,053,585	2,555,617	1,106,368	1,449,249
Manufacturers & Wholesalers Indemnity Exchange, Denver, Colo.	.....	155,289	138,828	268,174	185,039	83,135
Manufacturing Lumbermens Underwriters, Kansas City, Mo.	.....	2,464,116	2,327,282	3,027,090	1,496,976	1,530,114
Metropolitan Inter-Insurers, New York City	120,535,283	291,837	222,940	957,973	276,699	681,274
New York Reciprocal Underwriters, New York City	240,259,084	433,148	499,194	1,862,474	471,131	1,391,343
Reciprocal Exchange, Kansas City, Mo.	.....	754,217	767,937	1,656,636	557,242	1,099,394
Truck Insurance Exchange, Los Angeles, Cal.	.....	217,178	94,945	223,448	121,340	102,108
Underwriters Exchange, Kansas City, Mo.	125,609,293	199,440	253,252	1,165,941	147,489	1,018,452
Universal Underwriters, Kansas City, Mo.	31,064,475	520,677	380,486	596,084	276,280	319,804
Warner Reciprocal Insurers, Chicago, Ill.	.....	694,952	675,818	960,692	311,113	649,579
Totals	$1,116,603,401	$16,536,538	$14,838,124	$24,280,839	$ 9,974,384	$14,306,455

Plaintiff's Exhibit 1263

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STATE OF OREGON

CHARLES H. MARTIN, *Governor*

Twenty-ninth Annual Report

of the

INSURANCE COMMISSIONER

1937

FOR THE YEAR 1936

PRE-TRIAL EXHIBIT 1263
Case No. 4255
IRA O. TOLLFORD
Reporter

HUGH H. EARLE
Insurance Commissioner
SALEM, OREGON